

The regular monthly meeting of the Altoona Water Authority Board of Directors was held on Thursday, April 23, 2020 in the Board room at the Administrative Office. Chairman Neugebauer called the meeting to order at 9:00 a.m.

Pledge of Allegiance

Attendance:

Mr. Neugebauer, Mr. Ake (by WebEx), Mr. Strohm (by WebEx), Mr. Gehret and Mrs. Kooman were present, constituting a quorum in accordance with AWA Bylaws. All AWA Board of Directors meetings are conducted in accordance with the PA Sunshine Laws. Also, in attendance were Solicitor, David Consiglio, Consulting Engineer, Mark Glenn AWA Staff, Mark Perry, Mike Sinisi (by WebEx), Gina DeRubeis, Todd Musser, and Kathy Gabella.

Public Comment:

None

Approval of the Minutes:

Mrs. Kooman moved to approve the minutes of the February 20, 2020 meeting. Mr. Gehret seconded the motion. Mr. Neugebauer called the question. The motion passed with a vote of 4-0. Mr. Ake had not joined the meeting at this time. The minutes were approved as submitted.

Unfinished Business:

1. Bellwood Dam Second Opinion Project Review – still awaiting the permits to be issued by DEP. PennVest funding requires a Second Opinion Review due to the project being over \$10,000,000.00. Mead & Hunt submitted a proposal for the Second Opinion Review for the amount of \$22,600.00. Mr. Glenn made a recommendation to the Board to approve the proposal.
2. Bellwood Dam/Bellwood Water Treatment Facility PennVest Funding – the Bellwood Dam is a 20.5-million-dollar project. There is a possibility this project might be eligible for the next PennVest funding round. The Board would need to pass a resolution to apply. This project may not make this round of funding due to permits from DEP not being received in time.

The Bellwood Water Treatment Facility will have the permits issued by the deadline for PennVest Funding. This project will be approximately 9.5-million dollars. There are still details to be worked out as to which project will be worked on first.

3. Rubber Dams – Lake Altoona & Impounding Dam – an email was received from HTE giving an update that they are close to putting both rubber dams into production in China. The tentative completion date for those dams is May 20. With the pandemic it is not clear as to the shipping of the dams therefore a date for installation has not be determined.

HTE has requested \$30,000.00 to help with the replacement cost of the rubber dams. This item has been tabled until further notice.

4. Goods Lane Waterline Replacement – the PennVest Loan was received in January. The process for this project has been delayed. There are easement resolutions to be approved and there is also a resolution to borrow and another for funding for approval.
5. Biosolids Treatment Improvement Project – permitting is moving ahead and there is also a resolution to apply for PennVest funding and to execute the Letter of Responsibility.

Larry Doyle from ESG (Energy Savings Group) gave an update on the project.

1. Digester Complex – this is designed to digest the Easterly and Westerly Plant sludge as well as imported high strength organic waste from the region and outside the region.
2. Thermal Biosolids Dryer - this will be used reduce the volume of the sludge from the plants by seventy percent (70%) and create a Class “A” product. This would be a marketable product.
3. Renewal Energy – the plant will produce more renewable energy than it consumes. That renewable energy will be used to dry sludge and, in the future, could produce enough energy to take the plant off grid.
4. High Strength Organic Waste – will be transformed into renewable energy in the form of biogas
5. \$2.25 million will be saved in biosolids disposal and storage costs.
6. \$5 million – this is to upgrade and replace the infrastructure and equipment.
7. Over 20 Years – this will generate approximately \$540,000.00 per year.

Mr. Glenn added the PennVest closing may require a City Guarantee in terms of the revenues which is under the Local Government Unit Debt Act. Mr. Glenn also felt the Intermunicipal Agreements would need to be in place for the closing of the PennVest Loan. Mr. Doyle expects the agreements to be in place by October which would be in time for the closing.

Mr. Musser reiterated that ESG has to guarantee the debt service of this project. Mr. Glenn stated a guarantee made a month ago may not be the same guarantee due to the economic environment.

The goal for the agreements would be at least ten (10) years and hopefully twenty (20) years.

Mr. Strohm asked for a written update for this project. It was stated one will be provided.

Mr. Doyle will be at a future board meeting to give another update.

6. Sanitary Sewer Rehab Lining Project – this project has been put on hold due to the Covid-19 Pandemic. The Governor is planning to open the construction industry next week.
7. Atlas Copco Blowers at East Plant – the East Plant has four (4) blowers installed. There were some control issues however they have been worked out in the past three (3) weeks. The blowers for the digesters are being installed at the West Plant. This has been put on hold until the construction industry is open again.

Requisition Approval:

Mr. Neugebauer asked Mrs. DeRubeis for the Financial Report and the Requisitions/Authorizations. Mrs. DeRubeis gave her report and then asked for approval of the following requisitions.

Requisitions #33-35 Sewer Division Construction Fund totaling – March \$531,694.36

Sewer Division Capital Fund totaling – March \$11,125.97

Mr. Gehret moved to approve the requisitions for March. Mr. Strohm seconded the motion. Mr. Neugebauer call the question. Motion passed with a unanimous vote of 5-0.

Requisition #36-38 Sewer Division Construction Fund totaling - April \$532,303.54

Sewer Division Capital Fund totaling – April \$14,872.87

Mrs. Kooman moved to approve the requisitions for April. Mr. Ake seconded. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

New Business:

1. Refinance 2010 PennVest Sewer Loan Number #27787 – Scott Shearer from PFM gave a presentation on the options for refinancing loan of this loan. Mr. Shearer went over the RFP's that were sent out. Six (6) banks submitted proposals and of those six (6) two (2) would produce savings but with narrow margins.

The bond issue would net an approximate savings of 2.23%

Resolutions/Motions/Bid Awards

1. Resolution 20-04-930 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Sally W. Campbell and the AWA for the Goods Lane Water Main Replacement Project.

2. Resolution 20-04-931 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Cristy R. Rosa and the AWA for the Goods Lane Water Main Replacement Project.
3. Resolution 20-04-932 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Gary I. and Lou Ann T. Leamer and the AWA for the Goods Lane Water Main Replacement Project.
4. Resolution 20-04-933 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Kevin L and Robin A. Reckner and the AWA for the Goods Lane Water Main Replacement Project.
5. Resolution 20-04-934 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Daniel T. II and Stephanie Mort and the AWA for the Goods Lane Water Main Replacement Project.
6. Resolution 20-04-935 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Anthony J. DeGol and the AWA for the Goods Lane Water Main Replacement Project.
7. Resolution 20-04-936 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute the Easement Agreement between Sheri J. Wicker and the AWA for the Goods Lane Water Main Replacement Project.

Mr. Gehret moved to approve Resolutions 20-04-930 through 20-04-936. Mr. Strohm seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

8. Resolution 20-04-937 to authorize the 2020 Guaranteed Water Revenue PennVest Note for \$2,100,000.00 and to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to execute all funding and related documents.

Mr. Ake moved to approve Resolution 20-04-937. Mrs. Kooman seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

9. Resolution 20-04-938 declaring the official intent to reimburse water funds used to pay water project costs in conjunction with the PennVest Loan

Mr. Gehret moved to approve Resolution 20-04-938. Mrs. Kooman seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

10. Resolution 20-04-939 to approve the refinancing of the 2010 PennVest Sewer Loan #27787 pending a minimum net savings of 2%

Mr. Gehret moved to approve Resolution 20-04-939. Mr. Strohm seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

11. Resolution 20-04-940 to authorize the Chairman or Vice-Chairman to execute the Mead & Hunt

Proposal/Agreement to perform the Second Opinion Project Review Modifications to Bellwood Dam

Mrs. Kooman moved to approve Resolution 20-04-940. Mr. Gehret seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

12. Resolution 20-04-941 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to apply for PennVest Funding and execute the Letter of Responsibility for the Biosolids Treatment Improvements

Mr. Ake moved to approve Resolution 20-04-941. Mrs. Kooman seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

13. Resolution 20-04-942 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to apply for PennVest Funding and execute the Letter of Responsibility for the Bellwood Water Treatment Plant Improvements

Mr. Strohm moved to approve Resolution 20-04-942. Mr. Gehret seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

14. Resolution 20-04-943 to authorize the Chairman or Vice-Chairman and the Secretary or Assistant Secretary to apply for PennVest Funding and execute the Letter of Responsibility for the Bellwood Dam Modifications

Mrs. Kooman moved to approve Resolution 20-04-943. Mr. Gehret seconded the motion. Mr. Neugebauer called the question. Motion passed with a unanimous vote of 5-0.

Other Business:

None

Media Questions

None

Executive Session:

An Executive Session was called at 10:37 for personnel and legal issues.

Open Session:

Staff informed the Board the Authority will not be charging a penalty for late payments or issue a shut-off notice for non-payment for at least three (3) additional months due to the Covid-19 Pandemic.

Mrs. Kooman asked if the Authority had an emergency fund. The Authority does have a Reserve

Fund that is used for smaller capital projects. Further discussion was held and Mr. Neugebauer arranged an ad-hoc committee comprised of 2 Board members Mrs. Kooman, Mr. Ake. Mr. Perry then added staff members to include Mrs. DeRubeis, Mr. Glenn and himself. This group will look at monies designated for an emergency fund for potential losses in revenues as well as other emergency situations.

Adjournment:

There being no further business to be brought before the Board, the meeting was adjourned at 11: 42 a.m. The next meeting will be held on Thursday, May 21, 2020 at 9:00 a.m. in the Board Room at the Administrative Office Building located at 900 Chestnut Avenue.

Date of Approval: May 21, 2020



Secretary/Assistant Secretary

/klg